

Federal City Performing Arts Association

Board of Directors Meeting Minutes

Wednesday, May 28, 1997
2801 M St, NW, Washington, DC

DIRECTORS: Present: Fred Boykin, Jim Coyne, Bill Eadie, Jack Gerard, Thom Gibb, Darrell Lewis, Jim Madigan, Jeff Peirce, John Perkins, Henry Salevsky, Joe Vignali, Robert York.

Absent: Bob Wheeler.

STAFF: Jim Holloway

GUESTS: Gary Regan.

I. Call to Order

Meeting Called to Order at 7:37 pm by Boykin.

II. Approval of Minutes

Vignali moved, Coyne seconded, to approve the April 23, 1997 Minutes.
Unanimous in favor. Minutes approved.

Peirce moved, Gibb seconded, to approve the May 4, 1997 Special Meeting Minutes
Unanimous in favor. Minutes approved.

III. Financial Report

Peirce distributed the financial report for the first nine months of the year ending April 30, 1997 with the Comparative Statements of Income and Balance Sheet. Year-to-date revenues are behind budget by under \$40,000. However, the budget includes transferring \$33,400 by this point from the savings account which has not been necessary due to very healthy cash flows. Without the transfer, revenues are still behind budget by about \$5,000. Revenues from ticket sales and grants are behind budget. Advertising, CD sales, the Auction, Membership and other revenue are all ahead of budget. Most of this growth is not attributable to one-time events or windfalls but is sustainable growth due to the hard work of multiple people in multiple areas. The numbers show we have a strong and diversified revenue stream that is able to sustain the organization should any one revenue source have trouble. YTD revenues are ahead of last year by almost \$13,000. YTD expenditures are below budget by more than \$12,000 which is reflected across the board. They are over last year's by \$42,600. At the bottom line, YTD expenses exceed revenues by more than \$15,000. Last year at this time, revenues exceeded expenses by \$14,000. That represent a \$30,000 swing, which is approximately what we planned on transferring from savings by this point in the year. Ticket sales are almost \$40,000 behind budget which is being partially offset by growth we are experiencing in other areas of revenue generation. These areas of growth, however, are probably not enough to offset both the ticket revenue and cover for the \$40,00 draw-down from the savings

Lewis moved, Gerard seconded, to accept the financial report.
Unanimous in favor. Report accepted.

- ▼ Peirce reported on a meeting he had recently in Seattle with the Seattle Men's Chorus Executive Director Tom Luhnow and his staff, and the examination of their donor and membership database. Peirce moved, Coyne seconded, to authorize the Executive Committee to spend up to \$4,000 out of cash reserves to purchase software and/or professional services to develop a donor and membership database program for GMCW.

Unanimous in favor. Motion Passed.

- ▼ In November, the finance committee submitted a "Request for Quote" to the National Nonprofit Unemployment Trust for the costs associated with switching from the District-administered insurance program in which we currently participate to a self-insurance program which they administer. We have received a response advising that our current participation in the District-run unemployment system is more cost-effective for us at the present time.
- ▼ Peirce, Perkins and our accountant Tracie Powell have scheduled a series of meetings to begin work on closing out the current fiscal year, switching accounting structures to the new system used in the budget preparation process, any redesign of forms and reports that are required, and to begin the audit process for the current year. We anticipate a smooth transition and the audit taking place in August with a final report out in September. To facilitate closing our books on the current fiscal year June 30, members were advised that all requests for payments or estimated for payments must be received in the office by July 15.

IV. President's Report

- ▼ Boykin briefly reviewed the past season with its challenges of staff changes and difficult decisions. He reminded the Board members of what a positive difference they have made in the life of the chorus this year. "We have formed a bond: a group that was able to talk to each other - to laugh, disagree, get angry, quit, find healing, and still be the individuals we are. Your voices were those of your fellow chorus members, those you represented, and that makes me proud of what we have done. We have struggled with decisions, we have started the separation of operations and policy board, we have lost one of our members and gained a new member. But we have done this with an attitude of respectfulness and concern for those guys who sing on Sunday night." Boykin thanked the Board for their loving kindness and support this year and expressed his pleasure in having served this organization as its President.
- ▼ In other matters, Board members were reminded that the advanced discount registration deadline for the GALA Choruses annual leadership conference in Toronto over the Labor Day weekend is May 31st, and that the corporation will subsidize the cost of registration for any board member. Team chairs were reminded that they are required to submit an annual report at the annual meeting of the membership on June 14. Boykin also urged members and their friends to attend the personal financial planning seminar to be held May 29 by representatives of American Express Financial Advisors who will also present to us at that time a check in the amount of \$2,000 for sponsorship of the "My Buddy" concert.

V. Acting Executive Director's Report

Perkins distributed a written report that summarized the following areas of activity:

- ▼ Due to the non-response from Kyle & Company, our FY 1996 auditor, our accountant Tracie Powell produced our federal form 990 that was due with our application for 1997-98 Combined Federal Campaign participation on May 2nd and to the IRS (with an extension) on May 15th.
- ▼ Boykin and Perkins have gone through all the materials at the old chorus office (now storage space) at the Levine School and disposed of non-essential, duplicative and outdated materials, correspondence, supplies and equipment. The materials left will be archived.
- ▼ FCPAA has been approved to accept and we are now set-up to process the American Express Card.
- ▼ Perkins will continue to function as coordinator of the Assistant Music Director search process which is nearing completion.
- ▼ The Family and Friends program was re-launched on April 27 to raise funds to help pay chorus members' travel expenses to Indianapolis. The program concept and criteria were revised to fit this event, a program description and the data collection forms were produced, solicitation letters were created, and a data base was set-up. Only one member of the chorus opted to participate. Our suspicions were confirmed that many members would choose to wait until fall and use the program at that time for their Scandinavian Tour expenses.
- ▼ With the help of Boykin, Holloway and Gerard, a special appeal was launched on May 14 to raise funds to hire additional instrumentalists to accompany the performance of *NakedMan*. To date we have received \$2150, which, combined with the funds budgeted, will allow the hiring of a 13-piece orchestra.
- ▼ The James Richardson Recording Endowment Fund was specified as the recipient of memorial gifts to Jim upon his death on May 9.
- ▼ Both the GMCW session on development with Wallace Whitworth of the Kennedy Center and a fundraising roundtable sponsored by the Cultural Alliance stressed the importance of our need to more professionally manage our donor and potential donor database ("the record of our relationships").
- ▼ Salevsky and Perkins have held conversations with Box Office Tickets regarding the possibility of their handling phone and mail order sales of our merchandise. A draft contract from them is forthcoming. We are also discussing drafting a Request for Proposals for our design and printing services.
- ▼ A committee to advise on and guide the Board's strategic planning process is now being reconstituted. Strategic planning will be a focus for the Board retreat in August.
- ▼ Perkins noted that we had been without the important clerical services of Roger Bergstrom over the past month and wished him a speedy and successful recovery from his May 12th triple by-pass surgery.

VI. Music Director's Report

- ▼ Holloway confirmed that the funding appeal for the *NakedMan* orchestra will enable him to hire 13 players for a very full sound.
- ▼ Information about the joint concert with the Cathedral Choral Society in July is late and will be announced in *HotNotes* this week.
- ▼ Holloway recommended that we accept an invitation recently received from the Northern Virginia AIDS Ministry to perform at their interfaith service on World AIDS Day, December 1, 1997. This event is part of NOVAM's 10th anniversary and attendance of 300-500 is expected.

Peirce moved, Gerard seconded, to accept the invitation from Northern Virginia AIDS Ministry to perform at their service on December 1, 1997.

Unanimous in favor. Motion carried.

- ▼ After some discussion, Food and Friends has declined the Chamber Choir's offer to perform *Hidden Legacies* in a benefit performance. It is intended to offer this once more, to NOVAM, for a September date before letting go of the idea for community outreach.
- ▼ The *Proud and Peaceful* compact disc project is on track. The review committee consists of Dan Chadburn, Ted Guerrant, Jim Peterson and Holloway. We are looking at late summer recording, fall production, and a pre-holiday season release date.
- ▼ The Artistic Advisory Panel and Holloway are not yet ready to present a theme and concept plan for the 1998-99 season. It will be presented in October in order for it to reflect our new music staff's input. However, the ideas under discussion include:
 1. A concert with orchestra featuring the premier of an important new work, now in negotiation. Possible church or cathedral setting; might be a portable concert to build audience.
 2. A nationally known headliner in a high visibility concert with GMCW opening set and backup.
 3. A holiday concert which travels to colleges (to gay and lesbian college student groups) and smaller cities (A Different Shade of Family).
- ▼ Opportunities to recognize the many years of service of Assistant Music Director Jeff Buhrman upon his pending departure June 30th were discussed.

VII. *Operations Committee Report*

Perkins reported that the May 7 meeting of the Operations Committee considered two issues. The first was a review of the April 11 - 12 concerts and a formulation of a list of issues to be addressed prior to the June concert. The second was a review, sought by Salevsky, of the compete marketing plan for the June 28 concert. In other matters Lewis reported that the process of communication with members on leave or in inactive status is under review and will be formalized and made clear by the Membership Team by the start of the 1997-98 season. He stressed that the definition of "inactive" status must be clarified, consistently applied, and generally understood.

VIII. *Approval of the FY 1998 Budget*

Peirce noted that the budget reviewed by the Board at its working session on Saturday, May 3rd was \$30,170 out of balance, with revenues of \$530,710 and expenses of \$560,880. He then outlined seven changes made at the recommendation of the Board after consultation with the Executive Committee that netted \$8,500 in additional revenue and left a \$21,670 deficit. Peirce now proposed a "plug" of this amount in the fundraising account in the Board of Director's department, acknowledging that there was no new plan on how to raise that amount, but challenging the Board to accept the goal of raising the \$21,670 during the coming year. He recommended this method of balancing the budget for a number of reasons.

- reducing expenditures by this amount will result in a significant change in how we do business;
- budgeting for the revenue to come from the savings account is not prudent since there are no new initiatives included in the budget (if we have revenue shortfall, we can use the reserves to keep operating, but we shouldn't continue to budget them for operating);
- with the continued push towards a policy board, the board should have increasing ability to look at new projects and identify new ways to raise money as the year progresses.

Holloway noted that this proposal leads the board to a precipice and demands that it fly: do what boards do and raise money; because not-for-profit boards raise money and this is our test case.

Vignal moved, Coyne seconded, to approve the revised 1997-98 budget, balanced at \$562,00, as submitted.

Unanimous in favor. Motion accepted.

VIII. Old Business

None

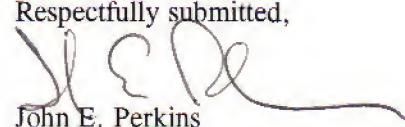
IX. New Business

- ▲ Vignal reiterated on behalf of the remaining Board members their thanks for the services of members who would be retiring from Board service in June.

X. Adjournment

Vignal moved, York seconded, to adjourn the meeting.
Unanimous in favor. Meeting adjourned at 9:12 pm.

Respectfully submitted,



John E. Perkins
Secretary
FCPAA

Attachments for the Record:

April 1997 Finance Committee Report
FY 1998 Budget